Licences to Lotteries and Prize Competitions.

Q.—326. Sri M. V. RAMA RAO (Tumkur).—

Will the Government be pleased to state:—

(*a*) the number of licences issued by Government under Section 8 of the Lotteries and Prize Competitions Control and Tax Act (Act XXVII of 1951) during each quarter of the current financial year;

(*b*) the amount of licence fee recovered during each quarter;

(*c*) whether the rate of tax on Prize Competitions has been reduced from 15 per cent to 12½ per cent in any particular case during November 1953 and if so, the special considerations for such reduction?

(*d*) the amount of tax collected in respect of the said particular Prize Competitions during the entire period between their commencement and the date of reduction?

A.—Sri H. SIDDAVEERAPPA (Minister for Home and Industries) [On behalf of Sri K. HANUMANTHAIYA (Chief Minister)].—

(*a*) to (*d*) Statement appended below.

(*a*) The details of licences issued are given below:

(1) M/s R.M.D.C. (Mysore), Ltd.

Sporting Star	*Satya.*
1-4-53 to 30-6-53	1-4-1953
1-7-53 to 30-9-53	to
1-10-53 to 31-12-53	30-9-1953
1-1-54 to 31-3-54	

(2) Sri S. R. Ramachandra Rao for conducting one crossword competition. license issued in November 1953:—

The promoter has not conducted the competition.

(*b*) Messrs. R.M.D.C. (Mysore), Ltd.

Sporting Star.

Tax:—	Rs.	a.	p.
1-4-1953 to 30-6-1953	1,42,937	9	0
1-7-1953 to 30-9-1953	1,62,919	13	9

License Fee:—

	Rs.	a.	p.
1-4-53 to 30-6-53	325	0	0
1-7-53 to 30-9-53	350	0	0
1-1-54 to 31-3-54	325	0	0
1-10-53 to 31-12-53	300	0	0
Total ...	1,300	0	0

Satya.

Tax:—Exempted from payment of tax since they are Free Entry Competitions.

License Fee:—

1-4-1953 to 30-9-1953 Rs. 625 0 0

(*c*) Tax was not reduced in respect of any particular case; but the rate of tax leviable under the Act was reduced to 12½ per cent.

(*d*) Rs. 7,20,402-12-0 was collected from M/s. R.M.D.C. Mysore), Ltd., from 1st February 1952 to 30th June 1953 and Rs. 1,62,919-13-9 from 1st July 1953 to 30th September 1953

Sri M. V. RAMA RAO.—Is it not a fact Sir, that there are only two persons who have been issued licenses?

*Sri H. SIDDAVEERAPPA.—Yes Sir.

Sri M. V. RAMA RAO.—It is only one of them who is conducting the competition actually?

Sri H. SIDDAVEERAPPA.—Yes.

Sri M. V. RAMA RAO.—Therefore Sir, the reduction of tax from 15 per cent to 12½ per cent has had the effect, though it may not have been the intention of the Government to give the benefit, only to the R.M.D.C. competition.

Sri H. SIDDAVEERAPPA.—Well, inferentially it may be so. But, whoever has applied, we have given license. But he has not run the competition.

Sri M. V. RAMA RAO.—There are two things; one with regard to the issue of license and the other with regard to tax. My question was, when the tax on the prize competition was reduced from 15 per cent to 12½ per cent did or did not Government have consideration to the number of persons who would be affected by the reduction of tax.

* Asterisk indicates that the remarks or speeches have not been revised by the Member concerned.

Sri H. SIDDAVEERAPPA.—Sir, that was not the criterion. As you are aware Sir, when this tax was originally ordered in the year 1952, it was put at 25 per cent. At one stage, on a representation from people concerned, the Government thought it was very high. It was ordered to be reduced to 7½ per cent But, then it was thought that would be a slide down. This Government fixed it at 15 per cent. Again on representation that it would work as a great hardship, it was reduced to 12½ per cent as it stands at present.

Sri M. V. RAMA RAO.—May I ask, what are the grounds on which the reduction of this tax was made ?

Sri H. SIDDAVEERAPPA.—Taking into consideration what the tax will be in other States and also on the representation of the people concerned and also in view of the fact that substantial collections were made from them on account of this tax.

Sri M. V. RAMA RAO.—Will the Government kindly look into the answer furnished by them? It is said tht Sataya has been exempted from payment of tax because it is a free prize competition and nobody else runs the competition. Who are the persons who made the representation with regard to the rate of tax and the difficulties experienced by them ?

Sri H. SIDDAVEERAPPA.—As my friend knows, there are only two in the field. As I have made it clear, there was no question of restricting the issue of licenses. Whoever applied, his case would be considered on its own merits and licenses would be issued.

Sri M. V. RAMA RAO.—If no taxes were paid by the persons who run this competition as stated in the answer, what were the reasons for reducing the tax ?

Sri H. SIDDAVEERAPPA.—Tax was reduced on the representation of Messrs. R.M.D.C. who was affected.

Sri M. V. RAMA RAO.–Is it Messrs. R.M.D.C. who runs this Satya Competition ?

Sri H. SIDDAVEERAPPA.—Sir, I am not specifically aware of it. I want notice for that.

Sri M. V. RAMA RAO.—Government have said that Satya has been exempted since they are free entry competitions. If so, who is itthat made representation ?

Sri H. SIDDAVEERAPPA.—I want to make the position quite clear. I do not know whether Satya and R.M.D.C. are one and the same in the first place. With regard to as to who made the representation, it is, if I remember correctly and subject to correction, the R.M.D.C. who made the representation.

9.30 A.M.

Sri MULKA GOVINDA REDDY.—Will the Government be pleased to state the amount that has been distributed as lottery prize by the Sporting Star and SATYA for each quarter of the financial year ?

Sri H. SIDDAVEERAPPA.— I want notice.

Sri MULKA GOVINDA REDDY.—I want information as to the amount that has been collected by the Sporting Star and Satya for each quarter of the current year.

Sri H. SIDDAVEERAPPA.—That has been already given. I invite the attention of the Hon'ble Member to the answer to (b) in the annexure wherein we have stated what amount of tax has been collected up to 30th September 1953.

Sri MULKA GOVINDA REDDY.—My question is, the amount that Government have realised by the Sporting Star and Satya for each quarter of the current financial year ?

Sri H. SIDDAVEERAPPA.—I have not got the figure readily available.

Sri MULKA GOVINDA REDDY.—Is it not a fact that lakhs have been collected by these two concerns ?

Sri H. SIDDAVEERAPPA.— I do not know exactly what amount has been collected. We have got our own representatives there also. And their accounts have been periodically checked and all possible steps have been taken to assess the exact amount that has to be collected.

Sri MULKA GOVINDA REDDY.—Are the Government aware that in the State of Bombay such a thing has been prohibited ?

Sri H. SIDDAVEERAPPA.—I want notice for that.

Sri MULKA GOVINDA REDDY.—Are the Government aware that so many families are ruined on account of these competitions ?

Sri H. SIDDAVEERAPPA.—Government are not aware of it.

Sri MULKA GOVINDA REDDY.—Will the Government think of prohibiting such a thing hereafter ?

Sri H. SIDDAVEERAPPA.—That question has not arisen for consideration.

Sri A. BHEEMAPPA NAIK.—Is it not a fact that all these things tantamount to gambling and wagering?

Sri H. SIDDAVEERAPPA.—The law allows it.

Sri A. BHEEMAPPA NAIK.—Yes, the law allows it! Is it not the duty of the Government to see that this kind of gambling and wagering which almost ruins the families is prevented ?

Sri H. SIDDAVEERAPPA.—When the Act is in force I cannot do anything illegally. Everthing has to be done in conformity with the law that has been passed. If the law allows it?

Sri A. BHEEMAPPA NAIK.—If the law allows such a thing, will the Government think of bringing in legislation to abolish such a law which is obnoxious ?

Sri H. SIDDAVEERAPPA.—I have not conceded that it is an obnoxious law, nor have I stated that it comes within the category of gambling and wagering.

Sri A. BHEEMAPPA NAIK.—Will the Government at least think of taking examples from the State of Bombay and see that this immoral thing is immediately put an end to?

Sri H. SIDDAVEERAPPA.—I do not know whether it is immoral. Life itself is a gamble! (Laughter).

Sri A. BHEEMAPPA NAIK.—Had you any taste of gambling with this Satya and R. M. D. C. ?

Sri H. SIDDAVEERAPPA.—Not with Satya and R. M. D. C. ?

Sri R. ANANTARAMAN.—What is the rate of tax prevalent in the other States ?

Sri H. SIDDAVEERAPPA.—I want notice.

Sri R. ANANTARAMAN.—Under what provision of law free entry competitions are allowed ?

Sri H. SIDDAVEERAPPA.—The exact provision of law I am not aware of. If my friend is very particular, I will examine under what provision of law it has been given.

Sri R. ANANTARAMAN.—Will not free entry competition enhance the circulation of papers? Has it not enhanced the circulation of the Satya ?

(No answer.)

ಶ್ರೀ ಬಿ. ಹುಚ್ಚೇಗೌಡ.—ಇದಕ್ಕೆ ಲೈಸೆನ್ಸ್‌ಗೆ ಅರ್ಜಿ ಹಾಕಿಕೊಂಡವರ್ಯಾರಿಗೂ ಇಲ್ಲವೆಂದು ಹೇಳಿಲ್ಲ, ಅಲ್ಲವೇ?

Sri H. SIDDAVEERAPPA.—Not that I am aware of. If any application is forthcoming Government will certainly consider it on its own merits.

ಶ್ರೀ ಬಿ. ಹುಚ್ಚೇಗೌಡ.—ಇದಕ್ಕೆ ಸಂಬಂಧಪಟ್ಟ ಆಕ್ಟ್ ಈ ಸಭೆಯಲ್ಲಿ ಚರ್ಚೆಗೆ ಬಂದಾಗ ಈ ದಿನ ಯಾರು ಈ ಬಗ್ಗೆ ವಿರೋಧವಾಗಿ ಪ್ರಶ್ನೆ ಹಾಕುತ್ತಿದ್ದಾರೋ ಅವರೇ ಇದು ಪ್ರಜೆಗಳಿಗೆ ಬರುತ್ತದೆ, ಆಗ ಬಹುದು ಎಂದು ಅಭಿಪ್ರಾಯ ಸೂಚಿಸಿರುವುದು ನಿಜವೇ ?

Mr. SPEAKER.—Any other question?

ಶ್ರೀ ಎಸ್. ಗೋಪಾಲಗೌಡ.—ಆರ್. ಎಂ. ಡಿ. ಸಿ. ಕಾಂಪಿಟಿಷ್ಟಗೂ ಓ. ಸಿ. ಕಾಂಪಿಟಿಷ್ಟಗೂ ವ್ಯತ್ಯಾಸವಿದೆಯೆ ?

ಶ್ರೀ ಎಚ್. ಸಿದ್ದವೀರಪ್ಪ.—ಇದೆ ಓ. ಸಿ. ಕಾಂಪಿಟಿಷ್ಟ ಎಂಬುದರಲ್ಲಿ 100 % gambling ಇದೆ.

ಶ್ರೀ ಎಸ್. ಗೋಪಾಲಗೌಡ.—ಇದರಲ್ಲಿ ಎಷ್ಟು per cent ಇದೆ ?

Sri H. SIDDAVEERAPPA.—Every kind of game always contains an element of chance. The only question for consideration is whether there is a preponderant element of chance skill. Then we will have to consider whether it is a game of skill or of chance.

Sri K. PUTTASWAMY.—What are the factors that are taken into consideration while licensing?

Sri H. SIDDAVEERAPPA.—When an application is received enquiry will be made, report will be received and after due enquiry the Government will find out whether it is legal or illegal to grant licence and then they grant the licence.

Sri K. PUTTASWAMY.—Enquiry for what ?

Sri H. SIDDAVEERAPPA.—Enquiry to find out the bona fides of the man and the purpose for which licence is sought for, and whether such a thing can be allowed consistent with the interests of the public and all these.

Sri K. PUTTASWAMY.—Do you get reports as to the preponderance of the element of skill or of chance ?

Sri H. SIDDAVEERAPPA.—I cannot definitely say whether there will be a report on that point.

Sri K. PUTTASWAMY.—Then, what are the other deciding factors that the Government will take while licensing ?

Sri H. SIDDAVEERAPPA.—If the law allows it and if it is not against public policy, then the Government grant licence provided it is legal to grant it.

Mr. SPEAKER.—Questions Nos. 390 and 677 may be taken up together.

Steps to recover arrears of loans.

Q. 390. G. BASAPPA (Hosadurga).—

Will the Government be pleased to state:—

(*a*) The total amount of loan under various heads paid to firms and individuals by Government ;

(*b*) The percentage of collections every year during the past five years ;

(*c*) The amount that is due to Government from them as on 31st December 1953 and since how long ;

(*d*) The steps taken to recover these loans regularly ?

A.—Sri A. G. RAMACHANDRA RAO (Minister for Law and Education) [On behalf of Sri K. HANUMANTHAIYA (Chief Minister)].—

(*a*) to (*d*) The time and labour involved in collecting and compiling the information are not commensurate with the results to be achieved.

Q.—677. Sri T. G. THIMMEGOWDA (Tiptur) —

Will the Government be pleased to state :—

(*a*) the names of persons who have been granted loans exceeding Rs. 1,000 during the years 1952-53 and the current year ;

(*b*) the amount of loan granted in each case and the purpose for which it was given ;

(*c*) the districts to which these g antees belong ;

(*d*) the villages to which these grantees belong and their names if possible ;

(*e*) the amount recovered ;

(*f*) the amount due to be recovered ?

A.—Sri A. G. RAMACHANDRA RAO (Minister for Law and Education) [On behalf of Sri K. HANUMANTHAIYA (Chief Minister)].—

(*a*) to (*f*) The time and labour involved in collecting and compiling the information required are not commensurate with the results to be achieved.

Sri G. BASAPPA.—Is it a fact that a large amount of loans is outstanding recovery ?

Mr. SPEAKER.—They do not know. That is evident from the answer.

Sri G. BASAPPA. Is it a fact that a separate establishment for dealing with loans exists in the Madras State ?

Sri A. G. RAMACHANDRA RAO.—I do not know the practice in the Madras State.

Sri G. BASAPPA. Is it not possible to have a separate establishment for issue and recovery of these loans ?

Sri A. G. RAMACHANDRA RAO.—There is sufficient establishment already.

ಶ್ರೀ ಜಿ. ಬಸಪ್ಪ.—ಇತ್ತೀಚೆಗೆ ಸಾಲವನ್ನು ಹಂಚಿಕೆ ಮಾಡುವುದರಲ್ಲಿ ಕೆಲವು ಡಿಸ್ಟ್ರಿಕ್ಟ್‌ಗೆ ಮಾತ್ರ ಕೊಟ್ಟು ಕೆಲವು ಡಿಸ್ಟ್ರಿಕ್ಟ್‌ಗೆ ಜೋತಾ ಮಾಡಿರುವುದು ಸರ್ಕಾರದ ಗಮನಕ್ಕೆ ಬಂದಿದೆಯೇ ?

Sri A. G. RAMACHANDRA RAO.—The needs of the district are the criterion.

ಶ್ರೀ ಜಿ. ಬಸಪ್ಪ.—ಈ ಬಗ್ಗೆ ಡಿಸ್ಟ್ರಿಕ್ಟ್‌ವಾರು ಎಷ್ಟು ಮೊಬಲಗು ಹಂಚಲಾಗಿದೆ.

ಶ್ರೀ ಎ. ಜಿ. ರಾಮಚಂದ್ರರಾವ್.—ನೋಟೀಸ್,

ಶ್ರೀ ಜಿ. ಬಸಪ್ಪ.—ಇದಕ್ಕಾಗಿ ಒದಗಿಸಿರುವ ಒಟ್ಟು ಮೊಬಲಗು ಎಷ್ಟೆಂಬುದನ್ನಾದರೂ ಹೇಳುವಿರಾ ?

ಶ್ರೀ ಎ ಜಿ. ರಾಮಚಂದ್ರರಾವ್.—ಈಗ ಹೇಳುವುದಕ್ಕಾಗುವುದಿಲ್ಲ ; ನೋಟೀಸ್.

Sri MULKA GOVINDA REDDY.—Will the Government be pleased to state the amount that is outstanding out of the loans granted to industria concerns in the Mysore State ?